

Did you know?

35% of your score is based on how well you pay your bills.

When you receive your bill from a creditor (automobile, credit card, and department store) it is important to pay those bills in a timely manner. When you establish a good payment history with your creditors, which means paying your bills on time, then the better your credit score will be.

30% of your score is a measure of how much credit you have available to you and how much of that credit you're using.

When you open or have existing credit for example with Visa and your credit limit is \$10,000, lenders are going to look at your balance on that account and how many account balances you are paying to. If your credit limit is \$10,000 and your balance is \$8,000 the lender may be reluctant to lend to you and if they do it may with a higher interest. It is better to keep your lines of credit at about 35% of your credit limit. With a \$10,000 credit limit it would be better to have a balance of \$2,500.

15% is a measure of the length of your credit relationships.

Lenders consider the age of your oldest accounts when looking at your credit report. This shows the lender previous history with that trade line and ultimately shows your dependability at paying back your debt.

10% is based on your search for new credit.

Research shows that opening several accounts in a short period of time does represent greater credit risk.

10% of your score is based on the types of credit in use.

The lenders consider the different kinds of credit accounts you have. The lenders look at whether you have mortgage loans, retail accounts, installment loans to see if you the consumer are able to handle your financial obligations. It won't be a key factor in determining your score but it will be important if you do not have a large credit history.

- It is a good idea to check your credit report at least once a year from each major credit reporting agency. You are able to obtain credit report at www.annualcreditreport.com at no cost once a year.

If you have been a victim of Identity Theft follow these steps:

1. Contact the credit bureaus to place fraud alerts on your credit reports and to review your credit reports.
2. Close any accounts that have been tampered or opened fraudulently
3. File a report with your local police or the police in the community where the identity theft took place
4. File a complaint with the Federal Trade Commission (202) 326.3650

Trying to get credit but not eligible with major credit lenders. Get a secured credit card. A secured credit card allows you to get a credit card with the money you put down on the card. Once you have established good credit behavior (payments on time) you are able to apply for unsecured credit <http://www.bankrate.com/brm/news/cc/19990823.asp>